



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

### Division of Oil, Gas & Mining

MICHAEL R. STYLER  
Executive Director

JOHN R. BAZA  
Division Director

### Inspection Report

#### Minerals Regulatory Program

Date: August 20, 2008

Reviewed: LR

Mine Name: Black Sands 47279	Permit Number: S0470082
Operator Name: Black Sands Holding Co.	Inspection Date: 08/18/2008
Inspector(s): Brett Gregory (for Leslie Heppler)	Time: 12:00 pm
Other Participants: None	Mine Status: Inactive

Elements of Inspection	Evaluated	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Public Safety (shafts, adits, trash, signs, highwalls)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Protection of Drainages / Erosion Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Deleterious Material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Roads (maintenance, surfacing, dust control, safety)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Reclamation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Backfilling/Grading (trenches, pits, roads, highwalls,	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Soils	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Bond Amount:** \$18,600 **Permit fee:** is delinquent

**Purpose of Inspection:** Operator requested inspection for bond release. An access key is needed for the furthestmost gate on the north side by US-40.

**Inspection Summary:** Photos attached

- No reclamation has been started. There is a noticeable stockpile and pit that will be reclaimed, which includes the area should be graded to a natural contour, seeded, and monitored for vegetative growth.
- Additional Backfilling/ grading is needed. There is a noticeable stockpile and pit that will be reclaimed, which includes the area should be graded to a natural contour, seeded, and monitored for vegetative growth.

**Conclusions and Recommendations:** The ground is to be regraded to natural contour, topsoil spread, noxious weeds control program implemented, and seed mix applied until revegetation standard of 70% ground cover is achieved. DOGM to continue to monitor the site until reclamation is achieved. No bond can be released. SITLA has record of 2 drill holes that need to be plugged (verbal communication SITLA 09-10-08).

Inspector's Signature

LAH:BG:pb

cc: Black Sands Holding Co. - Frank Ginton, Ed Pucciarelli  
(SITLA - Will Stokes)

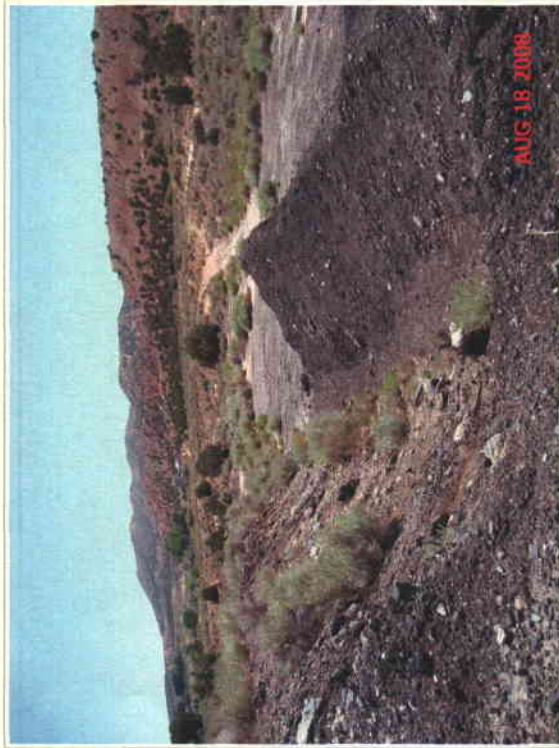
O:\M047-Uintah\S0470082-BlackSands47279\inspections\ins-08182008\_S0470082.doc



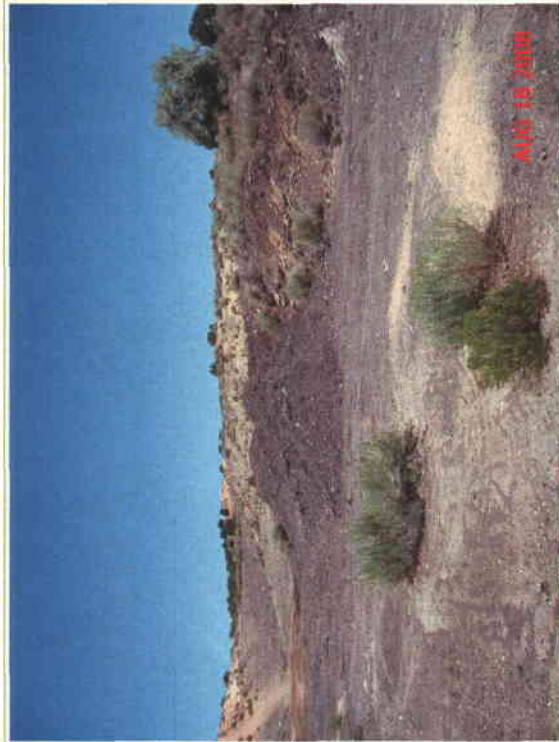
A key is needed to access the site.



Ponding is not acceptable - Reclamation required



Stockpile - Reclamation required



Reclamation required



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# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

BLACK SANDS HOLDING CO  
2939 S TAMARAC ST  
DENVER CO 80231

ATTENTION: FRANK GLINTON

## ANNUAL PERMIT FEE

Annual Permit Fees for July 2008 thru June 2009

<b>SITE NAME</b>	<b>PERMIT ID</b>	<b>ACRES</b>	<b>BILLING DATE</b>
BLACK SANDS 47279	S470082	NA	06/20/2007
<b>PERMIT TYPE</b>	<b>PERMIT STATUS</b>	<b>ANNUAL FEE</b>	
SMALL MINING OPERATION < 5 ACRES	ACTIVE	\$ 150	

<b>DUE DATE</b>	<b>AMOUNT DUE</b>
07/25/2008	\$ 150

*Please retain this portion for your records. For billing information call (801) 538-5291*

***This portion MUST be returned with your payment to ensure proper credit. THANK YOU***

<b>ACCOUNT BILLED</b>	<b>PROJECT NAME</b>	<b>PERMIT ID</b>
BLACK SANDS HOLDING CO	BLACK SANDS 47279	S470082

<b>DUE DATE</b>	<b>ANNUAL FEE</b>	<b>AMOUNT DUE</b>
07/25/2008	\$ 150	\$ 150

<input type="checkbox"/> FEE ENCLOSED	<input type="checkbox"/> FEE NOT ENCLOSED*
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\*Failure to pay fees required by the R647 Mineral Rules will result in Withdrawal of the approved Notice of Intention. No mining/exploration activities can occur on the site after the Fee Due Date until the annual permit fees are paid.

If reclamation is complete, the fee may not be required, but a request to inspect and close out the site must be submitted to the Division on form MR-SITE.

Forms and other permit-related information are available on the Web at <http://ogm.utah.gov/minerals> or you can call (801) 538-5291 for more information.

DIVISION OF OIL GAS AND MINING  
1594 WEST NORTH TEMPLE SUITE 1210  
PO BOX 145801  
SALT LAKE CITY UT 84114-5801

*Please make check payable to:*  
**Division of Oil, Gas and Mining**